Steven F. Alder (0033)
Douglas J. Crapo (14620)
John Robinson Jr. (15247)
Assistant Attorneys General
SEAN D. REYES (7969)
UTAH ATTORNEY GENERAL
1594 West North Temple, Suite No. 300
Salt Lake City, Utah 84116
Telephone: (801) 538-7227

JUN 2 3 2015
SECRETARY, BOARD OF OIL, GAS & MINING

Attorneys for the Division of Oil, Gas and Mining

# BEFORE THE BOARD OF OIL, GAS AND MINING DEPARTMENT OF NATURAL RESOURCES STATE OF UTAH

In the Matter of the Notice of Agency Action to affecting the mining operations of M. TODD WILHITE, WALL & ROCK, INC., and/or WILHITE & ASSOCIATES, **INC.**, by (1) withdrawing a Notice of Intention, (2) forfeiting a Certificate of Deposit No. 7089407881 in the amount of \$7000 plus accrued interest held by ZIONS BANK, (3) ordering reclamation of mines, and (4) requesting the Division of Oil, Gas and Mining and the Attorney General to take all other actions necessary to recover costs, fees, and fines for the operations occurring at (a) Gulch Mine (S023/0087) in Juab County; (b) Freedom from War Mine (S/039/0024) in Sanpete County; (c) Mount Pleasant Mine (S/039/0027) in Sanpete County; and (d) Mount Pleasant North Mine (S/039/0030) in Sanpete County.

### JOINT MOTION FOR ENTRY OF STIPULATED ORDER

Docket No. 2014-39

Cause Nos. S0230087, S0390024, S0390027, S0390030. The Division of Oil, Gas and Mining ("Division") and M. Todd Wilhite, Wall & Rock, Inc, and/or Wilhite & Associates, Inc. (collectively, "Wilhite"), by and through their attorneys, respectfully submit this Motion for entry of the Stipulated Order. The Stipulated Order will resolve all issues raised in the Notice of Agency Action and no other parties will be adversely affected by this order. Therefore, good cause exists for entry of the order without a hearing.

The Stipulated Order is provided for the Board's convenience.

RESPECTFULLY SUBMITTED this 23rd day of June, 2015.

Steven F. Alder (0033)

Douglas J. Crapo (14620)

John Robinson Jr. (15247)

Assistant Attorneys General

ATTORNEY GENERAL'S OFFICE

1594 West North Temple, Suite 300

Salt Lake City, Utah 84116

(801) 538-7227

Attorneys for the Division of Oil, Gas and Mining

/s/ Shane T. Peterson (signed with permission)

Shane T. Peterson (14751)

YOUNG, KESTER, BLACK & JUBE

75 South 300 West

Provo, Utah 84601

(801) 379-0700

Attorney for M. Todd Wilhite, Wall & Rock, Inc, and Wilhite & Associates, Inc.

# BEFORE THE BOARD OF OIL, GAS AND MINING DEPARTMENT OF NATURAL RESOURCES STATE OF UTAH

In the Matter of the Notice of Agency Action to affecting the mining operations of M. TODD WILHITE, WALL & ROCK, INC., and/or WILHITE & ASSOCIATES, **INC.**, by (1) withdrawing a Notice of Intention, (2) forfeiting a Certificate of Deposit No. 7089407881 in the amount of \$7000 plus accrued interest held by ZIONS BANK, (3) ordering reclamation of mines, and (4) requesting the Division of Oil, Gas and Mining and the Attorney General to take all other actions necessary to recover costs, fees, and fines for the operations occurring at (a) Gulch Mine (S023/0087) in Juab County; (b) Freedom from War Mine (S/039/0024) in Sanpete County; (c) Mount Pleasant Mine (S/039/0027) in Sanpete County; and (d) Mount Pleasant North Mine (S/039/0030) in Sanpete County.

#### STIPULATED ORDER

Docket No. 2014-39

Cause Nos. S0230087, S0390024, S0390027, S0390030.

On September 10, 2014, the Utah Division of Oil, Gas and Mining ("**Division**") issued a Notice of Agency Action before the Board of Oil, Gas, and Mining ("**Board**") to M. Todd Wilhite, Wall & Rock, Inc, and/or Wilhite & Associates, Inc. (collectively, "**Wilhite**"). Wilhite is the operator of the Freedom From War Mine (S/039/0024), the Gulch Mine (S/023/0087), the Mount Pleasant Mine (S/039/0027), and the Mount Pleasant North Mine (S/039/0030).

The Board has authority to issue this order under the Utah Reclamation Act, Utah Code §§ 40-8-1 to -23 (West 2013). As described in the Notice of Agency Action, the Division had assessed a number of outstanding fines resulting from cessation orders against Wilhite and outstanding annual fees for the mines. The causes of action raised in the Notice of Agency Action have been resolved through Wilhite's reclamation efforts, updates to permits and contracts, and a transfer of a permit and bond to a landowning operator.

The Division and Wilhite have joined together and agreed to the following, and the Board hereby orders:

- 1. Wilhite must pay four thousand dollars (\$4000) in fines and fees in the satisfaction of outstanding balances discussed in the Notice of Agency Action.
- 2. Wilhite must pay three thousand dollars (\$3000) of the four thousand within thirty (30) days of issuance of this order. Wilhite's three thousand dollar payment (\$3000) shall satisfy all of Wilhite's outstanding fines relating to or arising out of any and all of Wilhite's mining activities in any and all of the abovementioned mines, including any fines assessed against the loader on the Seely Mine.
- 3. The remaining one thousand dollars (\$1000) is held in abeyance until one of two events occur, whichever is sooner:
- a. Wilhite violates any statute, regulation, rule, or policy of the Division's Mineral Program, fails to timely pay his annual fee, fails to file an annual report, or fails to respond and participate in an escalation of bond for the Gulch Mine (S0230087); or
- b. March 21, 2018, on which date the one thousand dollar (\$1000) balance is forgiven and Wilhite no longer owes the penalty.

4. Wilhite must pay the Division the remaining \$1000 within thirty (30) days of a notification by the Division of a failure to comply with the Division's Mineral Program as discussed in the previous paragraph 2.a. Wilhite may appeal the Division's decision to the Board of Oil, Gas and Mining within thirty (30) days of the Division's notification.

5. The causes of action and relief sought in the Notice of Agency Action—as it relates to the four abovementioned mine sites—upon payment(s) or expiration of the remaining balance, are fully adjudicated and resolved.

The Board retains exclusive and continuing jurisdiction of all matters covered by this Order and of all parties affected thereby; and specifically, the Board retains and reserves exclusive and continuing jurisdiction to make further orders as appropriate and authorized by statute and applicable regulations.

For all purposes, the Chairman's signature on a faxed copy of this Order shall be deemed the equivalent of a signed original.

Dated this \_\_\_\_\_ day of June, 2015.

STATE OF UTAH BOARD OF OIL, GAS AND MINING

Ruland J Gill, Jr., Chairman

#### **CERTIFICATE OF SERVICE**

I certify that I caused a true and correct copy of the above JOINT MOTION FOR ENTRY OF STIPULATED ORDER to be delivered to the following, this 23rd day of June, 2015:

by email delivery:

Michael S. Johnson Assistant Attorney General mikejohnson@utah.gov Attorney for Board of Oil, Gas and Mining

Shane T. Peterson Young, Kester, Black & Jube shane@utahlawpartners.com Attorney for M. Todd Wilhite

Wilhite & Associates, Inc., <u>utahviper@hotmail.com</u> <u>todd@computersales.com</u>

Wall & Rock, Inc. utahviper@hotmail.com todd@computersales.com

M. Todd Wilhite utahviper@hotmail.com todd@computersales.com

Steven and Gayle Seely seely.gayle@gmail.com

by postal delivery:

Brothersen Family Trust Boyd and Avrin Brothersen 480 East 400 South

Mount Pleasant, Utah 84647

Mott Larson 866 East 100 South Mount Pleasant, UT 84647-1617

David Jimenez Emily Lee Zions Bank 180 North University Ave., Ste. 100 Provo, UT 84601

Zions Bancorporation RA: Corporation Service Company One East Main Street Salt Lake City, UT 84133

Zions Bancorporation RA: Corporation Service Company 10 East South Temple, Ste. 850 Salt Lake City, UT 84133-1114

Connin Bunside